[LETTERHEAD]

DRAFT (19.04.15)

Philippa Brody
Sterling Lord Literistic, Inc.
65 Bleecker Street
New York, NY 10010
U.S.A.

Dear Ms. Brody,

Re: **Comments to Author Corporation Contract**

We act as Israeli legal counsel to the Proprietor and Author in connection with the proposed Author Corporation Contract proffered by St. Martin's Press, LLC (the "**Contract**"). We have some general comments to make and would appreciate their implementation them in the next draft of the Contract. (Regarding the related Collaboration Agreement and letter from Ehud Barak to St. Martin's Press, we would appreciate receipt of Word versions, for ease of commenting.)

1. Advance. (Section 2). It should be stated clearly that the advance is non-refundable, save as provided for in Section 9(e).
2. Royalties. (Section 3). Royalty obligations should survive any termination of the Contract.
3. [Subsidiary Rights. (Section 4). The Proprietor's consent should be required for exercise of Subsidiary Rights (save Translation Rights for languages other than Hebrew)]
4. Hebrew Translation. (Section 5).
    - 4.1 The Hebrew translator and the Hebrew translation of the Work should be subject to the Proprietor's prior consent.
    - 4.2 The Proprietor should have the right to add material to the Hebrew version of the Work that does not necessarily appear in the English version. This is due to the more aware nature of the Hebrew reader when it comes to events and personalities.
    - 4.3 Any rights in editorial or translation work should be assigned to the Proprietor.
5. Copyright. (Section 6).
    - 5.1 The Publisher should be required to register copyright at or before publication, and not just in the U.S., but also in other relevant countries.
    - 5.2 The copyrights of foreign language editions should belong to the Author and should be registered by the Publisher where relevant.
6. Reserved Rights (Section 7). The Contract should state that authorship rights and moral rights belong exclusively to the Author.
7. Non-compete. (Section 8).
    - 7.1 It should be made clear that the non-compete obligations do affect the Proprietor's ability to directly or indirectly exploit rights retained by it under the Contract, provide consulting services, engage in business of any sort, cooperate with third party

biographies, deliver lectures, and participate in interviews, including in the public media, and participate in films, documentaries, television shows and the like.

7.2 The reference in Subsection 8(a) to "fiction" should be deleted and the sentence adjusted accordingly.

7.3 Sections 8(d) (g) should be deleted for lack of relevance.

8. Deliverables. (Section 9).

8.1 Section 9(c) – The Publisher's right to terminate after the delivery deadline and cure period are missed should be available only for so long as the Work has not been delivered.

8.2 The Publisher's right to return of advances should be limited to advances paid and only in the case of termination for failure to deliver.

8.3 The "due date" as currently defined seems unattainable.

8.4 Section 9(e) - If the Work is duly rejected, the Contract (including non-compete obligations) should terminate (save for return of advance as per Section 9(e)).

9. Editors and Corrections. (Section 10). The Proprietor should be permitted to make changes at various (including final) proof stages without cost.

10. Section 12: What is meant by "unearned advances previously paid"?

11. Promotion (Section 13). Promotion should be reasonable and supportive of the Author's reputation.

12. Subsequent Edition. (Section 15). It should be made clear that in the event of a new edition, the Proprietor should have the opportunity to revise the Work.

13. Accounting (Section 17). What is intended by "unearned advances previously paid"<

14. Warranty. Section 21 (a)(viii) is missing a conjunctive "and".

15. Indemnification. (Section 21(b)(ii)). The Publisher's obligation should be to "indemnify" not simply to "cover" and should have the same scope as the indemnity in Section 21(b)(i).

16. [Option. (Section 22). The Publisher should not have the described option.]

17. Payments. (Sections 23, 28).

17.1 The Proprietor prefers that payments from the Publisher be made directly to the ultimately intended recipients (Author, Writer and the Agents), rather than be routed through the Proprietor's agents.

17.2 In this regard, it is our understanding that the Writer is not entitled to any payment beyond $125,000.

17.3 Further, amounts paid should be divided among the relevant parties pro-rata on a per payment basis.

18. Assignment. (Section 25) In event of any permitted assignment by the Publisher, the Publisher should continue to be responsible for the acts or omissions of the assignee.

19. Miscellaneous. (Section 38). There should be no reference to the Writer's name or other likeness in connection with the Work, as the Writer is not intended to have any authorship rights.

20. The Contract lacks a survival clause, and certain Publisher obligation (such as payment obligations) should survive termination of the Contract.

21. Due to a number of paragraph deletions various cross-references need to be revised.

Please do not hesitate to contact me wish to discuss any of the above.

Very yours,

Norman Menachem Feder